

ABSTRACT

The present invention provides a system and method for creating and administering an investment instrument. More specifically, the present invention provides a system and method for creating and administering an investment instrument
5 that may be cleared through a depository company, that has relatively short terms and/or that enables investors to participate in financial market activity while protecting their principal investments. In accordance with one embodiment of the invention, an investment instrument preserves an investor's principal and offers a choice of several models for generating return. Return-generating models may allow an investor to
10 participate fully in market movement, participate partially in market movement with a guaranteed minimum return, or receive a fixed return without participating in market movement.